

Do not use this checklist for liability coverage. If using a letter of credit for liability coverage, use publication #05-04-008(j).
Do not use this checklist for post-closure or interim status facilities – contact Ecology’s Financial Assurance Officer for instructions.

FINANCIAL ASSURANCE COMPLIANCE CHECKLIST IRREVOCABLE LETTER OF CREDIT WITH STANDBY TRUST FUND FOR CLOSURE FACILITIES USING 40 CFR 264.143(d)

REVIEW FOR YEAR: _____

EFFECTIVE DATE _____
DATE SUBMITTED _____
LETTER NUMBER _____
LENDER/BANK NAME _____
FACILITY NAME _____
LOCATION _____
ID NUMBER _____

INITIAL REVIEW STEPS	COMMENTS
1. Was the Letter of Credit submitted 60 days prior to receipt of hazardous waste? <i>40 CFR 264.143(d)(1)</i>	
2. Have the required documents been submitted?	
a. Letter of Credit – <i>40 CFR 264.143(d)(5)</i>	
b. Letter from owner/operator – <i>40 CFR 264.143(d)(4)</i>	
c. Standby Trust – <i>40 CFR 264.143(d)(3)</i>	
3. Is the financial institution qualified? <i>40 CFR 264.143(d)(1)</i>	
4. Is the Letter of Credit wording identical to the requirements? <i>40 CFR 264.151(d) and WAC 173-303-620(10)</i>	
5. Is the Standby Trust Agreement wording identical to the requirements? <i>40 CFR 264.151(d) and WAC 173-303-620(10)</i>	
6. Is the Standby Trust Agreement in compliance with appropriate regulations? <i>40 CFR 264.143(d)(3)</i>	
7. Does the Letter of Credit provide that the expiration date will be automatically extended for a period of at least one year unless (at least 120 days before expiration date) the issuing institution notifies both the owner/operator and Ecology by certified mail of a decision not to extend the expiration date? <i>40 CFR 264.143(d)(5)</i>	
8. Is the amount of the Surety Bond at least as great as the cost estimate? <i>40 CFR 264.143(d)(6)</i>	
SUBSEQUENT REVIEW STEPS	
9. Is the amount of the Letter of Credit at least as great as the current cost estimate? <i>40 CFR 264.143(d)(6)</i>	
a. Adjusted for inflation – <i>WAC 173-303-620(3)(c)</i>	
b. Plan modifications – <i>WAC 173-303-620(3)(b)</i>	
10. If the current closure costs are greater than the Letter of Credit, has the owner/operator increased the amount of the Letter of Credit and submitted evidence of the increase or obtained other financial assurance? <i>40 CFR 264.143(d)(7)</i>	
11. If the owner/operator has failed to perform closure, has the financial institution deposited the amount of the Letter of Credit into the Standby Trust? <i>40 CFR 264.143(d)(8)</i>	

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12. If the owner/operator has failed to provide alternative assurance within 90 days after notice of cancellation, has the financial institution deposited the amount of the Letter of Credit into the Standby Trust? <i>40 CFR 264.143(d)(9)</i>	
13. If the Letter of Credit is to be cancelled, has Ecology sent the original Letter of Credit to the issuing institution after approval of a substitute mechanism? <i>40 CFR 264.143(d)(10)</i>	
14. Any other outstanding issues or concerns?	

MANDATORY LANGUAGE: Located in 40 CFR 264.151(d) and WAC 173-303-620(10). Examples of mandatory language are available from Ecology's Financial Assurance Officer at (360) 407-6754.

CONCLUSION: The Department of Ecology determines that the facility has *(circle one)* **COMPLIED** / **NOT COMPLIED** in all material respects with the requirements governing financial assurance as described in 40 CFR Part 264. Reasons for noncompliance, if any, are detailed in an attached memo.

Department of Ecology Review by: _____ Date: _____